AMENDED IN ASSEMBLY JUNE 8, 2006

AMENDED IN SENATE MAY 25, 2005

AMENDED IN SENATE MAY 10, 2005

AMENDED IN SENATE APRIL 7, 2005

SENATE BILL

No. 475

Introduced by Senator Runner

February 18, 2005

An act to amend Section 40709.6 of the Health and Safety Code, relating to air resources. An act to add Section 116787 to the Health and Safety Code, relating to sanitation districts.

LEGISLATIVE COUNSEL'S DIGEST

SB 475, as amended, Runner. Air pollution: stationary sources: emissions reductions: banking. Drinking water: water softening and conditioning appliances: Santa Clara River.

Existing law authorizes a residential water softening or conditioning appliance to be installed only if certain conditions are met. Existing law further provides, notwithstanding the above authorization, that a local agency may, by ordinance, limit the availability of, or prohibit the installation of, residential water softening or conditioning appliances that discharge to the community sewer system if the local agency makes certain findings and includes them in the ordinance.

This bill would provide, notwithstanding that authorization, that a sanitation district within Los Angeles County that owns or operates a wastewater treatment facility, or a community sewer system, that discharges to the Santa Clara River or its tributaries may by ordinance adopted concurrently with, or after an ordinance adopted

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pursuant to, the aforementioned provisions, require the removal of all installed residential water softening or conditioning appliances that discharge to the community sewer system, if the sanitation district makes specified findings, and includes them in the ordinance.

The bill would require a sanitation district, prior to the effective date of any ordinance adopted pursuant to those provisions, to make available to residents within its service area a voluntary program to compensate the resident for 100% of the reasonable value of the removed residential water softening or conditioning appliance, and the reasonable cost of the removal and disposal of the appliance, both of which shall be as determined by the sanitation district. The bill would require a sanitation district, on and after the effective date of any ordinance adopted pursuant to those provisions to make available to residents within its service area a program to compensate the resident for 75% of the reasonable value of the removed water softening or conditioning appliance, and the reasonable cost of removal and disposal of the appliance, both of which shall be determined by the sanitation district. The bill would provide that any ordinance adopted and approved pursuant to those provisions shall not take effect until January 1, 2009.

The bill would declare that, due to the unique circumstances related to the Santa Clara River Chloride Maximum Daily Load requirements for substantially reduced chloride levels in wastewater discharged by the Saugus and Valencia Reclamation Plans to the Santa Clara River that the bill is intended to remedy, a general statute within the meaning of specified provisions of the California Constitution cannot be made applicable and special statute is necessary.

Existing law requires every air pollution control district and air quality management district to establish, by regulation, an emission reduction bank containing emissions reductions to offset future increases in the emissions of air contaminants. Existing law sets forth the requirements for developing and implementing the bank, and allows increases in the emissions of air pollutants at a stationary source located in a district to be offset by emissions reductions eredited to a stationary source located in another district if both stationary sources are located in the same air basin or, if not located in the same air basin, if specified requirements are met. Existing law imposes specified requirements on districts that participate in offsetting emissions increases with emissions reductions. Existing law requires any offset to be approved by a resolution adopted by the

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governing board of each affected district and permits the governing board of a district to delegate the approval function to its air pollution control officer.

This bill would require the Antelope Valley Air Quality Management District, the Mojave Desert Air Quality Management District, and the South Coast Air Quality Management District, to conduct a joint study to identify means to generate or transfer additional emissions reduction credits that could be used in the permitting of new and modified sources in the Mojave Desert Air Basin. The bill would require the study to seek to identify opportunities and methods, including innovative methods, to generate credits that are real, permanent, enforceable, surplus and quantifiable, and that comply with all applicable state and federal requirements for emission reduction credits. The bill would require the study to take into account the air quality benefits of promoting job-housing balance between the 2 regions. The bill would require the study to be submitted to the Legislature on or before July 1, 2006.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes-no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the 2 following:
- 3 (a) On May 4, 2005, a Total Maximum Daily Load (TMDL)
- 4 for chloride, established by the Regional Water Quality Control
- Board, Los Angeles Region, took effect for Regions 5 and 6 of the
- 6 Santa Clara River, located in Los Angeles County.
- 7 (b) The Regional Water Quality Control Board, Los Angeles
- 8 Region, found that, under the federal Clean Water Act (33 U.S.C.
- 9 Sec. 1313 et seq.), this chloride TMDL was necessary to bring
- 10 the Santa Clara River into attainment with water quality
- 11 standards applicable to the Santa Clara River to protect

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beneficial uses, including salt-sensitive agricultural crops growndownstream in Ventura County such as avocados.

- (c) The Regional Water Quality Control Board, Los Angeles Region, further found that the principal source of chloride into Regions 5 and 6 is discharges from the Saugus Water Reclamation Plant and the Valencia Water Reclamation Plant, which are wastewater treatment plants serving approximately 180,000 residents of the Santa Clarita Valley.
- (d) The Santa Clarita Valley Sanitation District, which owns and operates the Saugus and Valencia Water Reclamation Plants, has extensively studied the sources of chloride in local wastewater and has found that about one-third of the chloride comes from the use of residential self-regenerating water softeners that discharge brine to the sewer.
- (e) Effective March 27, 2003, in accordance with the requirements of Section 116786 of the Health and Safety Code, originally added by Senate Bill 1006 (Ch. 969, Stats. 1999), the Santa Clarita Valley Sanitation District adopted an ordinance prohibiting the installation of new residential self-regenerating water softeners in the Santa Clarita Valley.
- (f) Senate Bill 1006 prohibited local agencies from adopting ordinances requiring the removal of residential self-regenerating water softeners that were installed prior to the effective date of the ordinance.
- (g) Without the removal of the residential self-regenerating water softeners that were installed prior to the effective date of the ordinance in the Santa Clarita Valley, it is improbable that the Saugus and Valencia Water Reclamation Plants can meet the requirements of the TMDL in a timely manner, without the installation of advanced treatment for salt removal and brine disposal at a projected cost to the community of at least \$350 million.
- 33 SEC. 2. Section 116787 is added to the Health and Safety 34 Code, to read:
 - 116787. (a) Notwithstanding subdivision (d) of Section 116786, a sanitation district within Los Angeles County that owns or operates a wastewater treatment facility, or a community sewer system, that discharges water to the Santa Clara River or its tributaries may by ordinance adopted concurrently with, or after an ordinance adopted pursuant to,

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Section 116786, require the removal of all installed residential water softening or conditioning appliances that discharge to the community sewer system, if the sanitation district makes both of the following findings, and includes those findings in the ordinance:

- (1) The removal of the softening or conditioning appliances is a necessary and cost-effective means of achieving timely compliance with waste discharge requirements, water reclamation requirements, or a Total Maximum Daily Load (TMDL) issued by a California regional water quality control board. In determining what constitutes a necessary and cost-effective means of achieving compliance, the sanitation district shall assess both of the following:
 - (A) Alternatives to the ordinance.

- (B) The cost-effectiveness and timeliness of the alternatives as compared to the adoption of the ordinance.
- (2) The sanitation district has adopted and is enforcing regulatory requirements that limit the volume and concentrations of saline discharges from nonresidential sources in the community sewer system, to the extent that is technologically and economically feasible.
- (b) An ordinance adopted pursuant to subdivision (a) shall not be effective until such time that it is approved by a majority vote of the qualified votes cast in an election held in the sanitation district's service area, in a referendum in accordance with applicable provisions of the Elections Code.
- (c) (1) Prior to the effective date of any ordinance adopted pursuant to subdivision (a), a sanitation district shall make available to residents within its service area a voluntary program to compensate the resident for 100 percent of the reasonable value of the removed residential water softening or conditioning appliance, and the reasonable cost of the removal and disposal of those appliances, both of which shall be determined by the sanitation district.
- (2) On and after the effective date of any ordinance adopted pursuant to subdivision (a), a sanitation district shall make available to residents within its service area a program to compensate a resident for 75 percent of the reasonable value of any removed residential softening or conditioning appliance, and

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the reasonable cost of the removal and disposal of the appliance,
both of which shall be determined by the sanitation district.

- (d) Any ordinance adopted pursuant to subdivision (a) and approved in accordance with subdivision (b) shall not take effect until January 1, 2009.
- SEC. 3. Due to the unique circumstances related to the Santa Clara River Chloride Total Maximum Daily Load requirements for substantially reduced chloride levels in wastewater discharged by the Saugus and Valencia Water Reclamation Plants to the Santa Clara River, it is necessary that the affected local agencies be authorized to require removal of residential water softening or conditioning appliances, and thus the Legislature finds and declares that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution.

SECTION 1. Section 40709.6 of the Health and Safety Code is amended to read:

- 40709.6. (a) Increases in emissions of air pollutants at a stationary source located in a district may be offset by emission reductions credited to a stationary source located in another district if both stationary sources are located in the same air basin or, if not located in the same air basin, if both of the following requirements are met:
- (1) The stationary source to which the emission reductions are eredited is located in an upwind district that is classified as being in a worse nonattainment status than the downwind district pursuant to Chapter 10 (commencing with Section 40910).
- (2) The stationary source at which there are emission increases to be offset is located in a downwind district that is overwhelmingly impacted by emissions transported from the upwind district, as determined by the state board pursuant to Section 39610.
- (b) The district, in which the stationary source to which emission reductions are credited is located, shall determine the type and quantity of the emission reductions to be credited.
- (e) The district, in which the stationary source at which there are emission increases to be offset is located, shall do both of the following:
- (1) Determine the impact of those emission reductions in mitigation of the emission increases in the same manner and to

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the same extent as the district would do so for fully credited emission reductions from sources located within its boundaries.

- (2) Adopt a rule or regulation to discount the emission reductions credited to the stationary source in the other district. The discount shall not be less than the emission reduction for offsets from comparable sources located within the district boundaries.
- (d) Any offset credited pursuant to subdivision (a) shall be approved by a resolution adopted by the governing board of the upwind district and the governing board of the downwind district, after taking into consideration the impact of the offset on air quality, public health, and the regional economy. Each district governing board may delegate to its air pollution control officer the board's authority to approve offsets credited pursuant to subdivision (a).
- (e) The Antelope Valley Air Quality Management District, the Mojave Desert Air Quality Management District, and the South Coast Air Quality Management District, shall conduct a joint study to identify means to generate or transfer additional emission reduction credits that could be used in the permitting of new and modified sources in the Mojave Desert Air Basin. The study shall seek to identify opportunities and methods, including innovative methods, to generate credits that are real, permanent, enforceable, surplus and quantifiable, and that comply with all other applicable state and federal requirements for emission reductions credits. The study shall also take into account the air quality benefits of promoting job-housing balance between the two regions. The study shall be submitted to the Legislature on or before July 1, 2006.
- SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district are the result of a program for which legislative authority was requested by that local agency or school district, within the meaning of Section 17556 of the Government Code and Section 6 of Article XIII B of the California Constitution.